



GenScript Biotech Corporation Presentation

Jefferies Healthcare Conference

June 10, 2022
Shiniu Wei, CFO



Disclaimer

Forward-Looking Statement

This presentation may contain certain “forward-looking statements” which are not historical facts, but instead are predictions about future events based on our beliefs as well as assumptions made by and information currently available to our management. Although we believe that our predictions are reasonable, future events are inherently uncertain and our forward-looking statements may turn out to be incorrect. Our forward-looking statements are subject to risks relating to, among other things, the ability of our service offerings to compete effectively, our ability to meet timelines for the expansion of our service offerings, and our ability to protect our clients’ intellectual property. Our forward-looking statements in this presentation speak only as of the date on which they are made, and we assume no obligation to update any forward-looking statements except as required by applicable law or listing rules. Accordingly, you are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. All forward-looking statements contained herein are qualified by reference to the cautionary statements set forth in this section.

Use of Adjusted Financial Measures (Non-IFRS Measures)

We have provided adjusted net profit, which excludes the share-based compensation expenses are not required by, or presented in accordance with, IFRS. We believe that the adjusted financial measures used in this presentation are useful for understanding and assessing underlying business performance and operating trends, and we believe that management and investors may benefit from referring to these adjusted financial measures in assessing our financial performance by eliminating the impact of certain unusual and non-recurring items that we do not consider indicative of the performance of our business. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. You should not view adjusted results on a stand-alone basis or as a substitute for results under IFRS, or as being comparable to results reported or forecasted by other companies.



Content

- Company Overview
- Business Segments
- Future Strategies



01

Company Overview



Business Positioning



Life Science

Make Research Easy



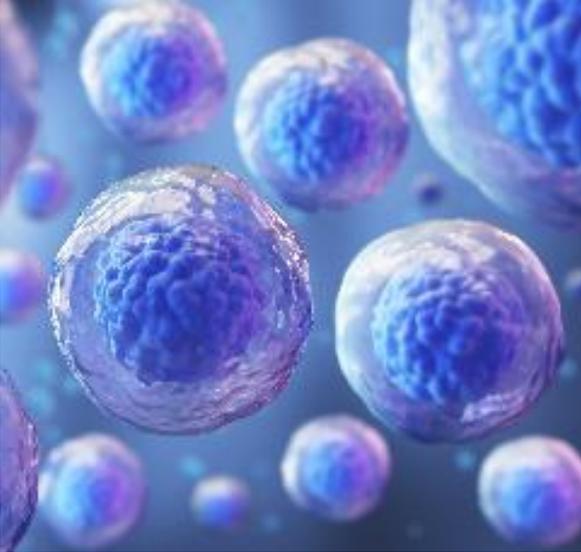
Biologics CDMO

Innovation through Collaboration



Synthetic Biology

Make the Best Enzyme



Cell Therapy

The Pursuit of a Cure



Company Overview

Platform Company

- Culture of **innovation**
- Proven track record of incubating **internal unicorns**
- **A portfolio of businesses** that leverage each other's strength

Global Business

- **180K+ customers** in over **145 countries**
- Global Sales, Manufacturing and R&D presence in **US, Europe and Asia Pacific**

Make People and Nature Healthier through Biotechnology

Strong IP Position

- **Proprietary technology** across all business lines
- **Over 180** granted patents and **over 670** patent applications

Highly Skilled Workforce

- **~ 5300** employees globally
- **Over 80%** of employees hold Bachelor & above degrees
- **Over 39%** of employees hold Master & above degrees

Recent Business Highlights

Life Science Services and Products

- Revenue up 26.4% YoY; two decades of consecutive growth
- The emerging markets continue to show strong growth momentum
- High-impact innovations doubled GCT related revenue
- Capacity expansion and cost optimization through automation and digitalization
- Industrial grade capacity expansion in the US, China and Singapore

Industrial Synthetic Biology

- Revenue up 33.6% YoY; achieved historical breakeven financial goal
- Innovative industrial enzyme company with highest revenue growth rate in China
- Robust pipeline of innovative enzymes to meet market demands
- Leveraging industry-leading R&D platforms to capture new synthetic biology market opportunities

Biologics CDMO

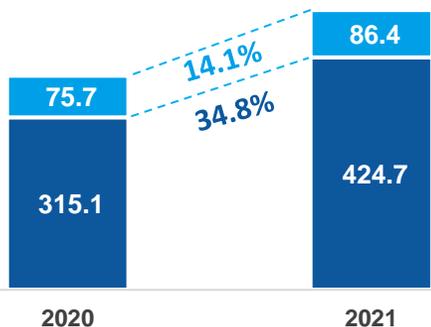
- Revenue up 101.5% YoY; backlog up 108.4% YoY
- Emerging leader in CDMO industry with 24 new integrated antibody CMC projects, up 71.4% YoY and 8 IND approvals in both China and US
- No.1 plasmid provider in China with 6 IND approvals in China, Japan and Korea
- \$150M Series A Financing and capacity expansion on track

Cell Therapy

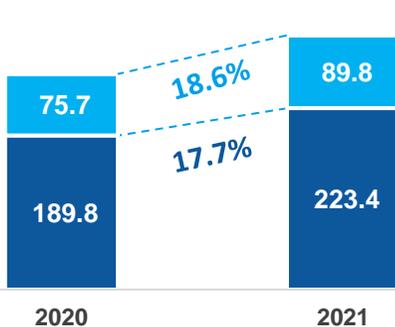
- Best-in-class data from CARTITUDE-1 and CARTITUDE-2
- Cilta-cel NDA submitted in Japan
- CARVYKTI™ (cilta-cel) approved by the U.S. FDA and EC
- State-of-the-art manufacturing facility announced in Belgium
- US FDA clearance of the IND application for LB1908

Strong Financial Results - FY21

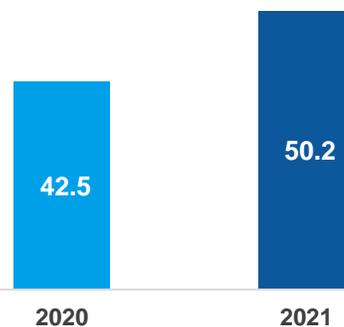
External Revenue (\$M)
YoY 30.8%



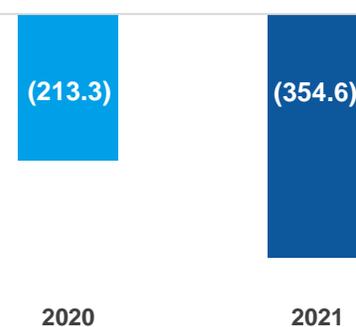
Gross Profit (\$M)¹
YoY 18.6%



Adjusted net (Loss)/Profit of Non-cell Therapy (\$M)²
YoY 18.1%



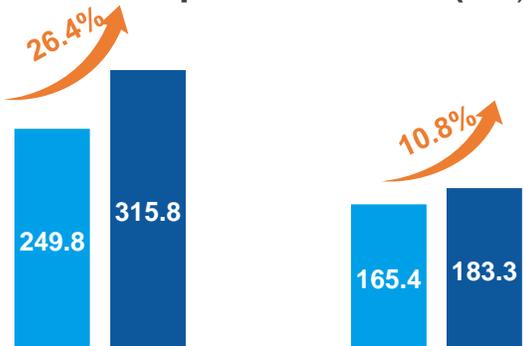
Adjusted net (Loss)/Profit of Cell Therapy (\$M)²



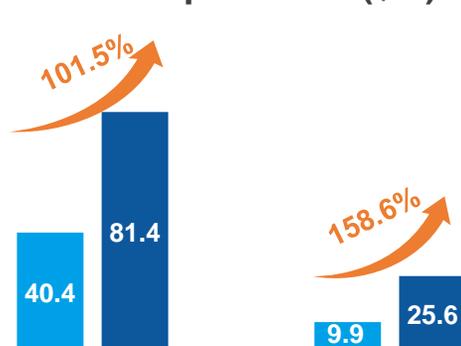
■ Non-Cell Therapy ■ Cell Therapy

■ Non-cell Therapy ■ Cell Therapy

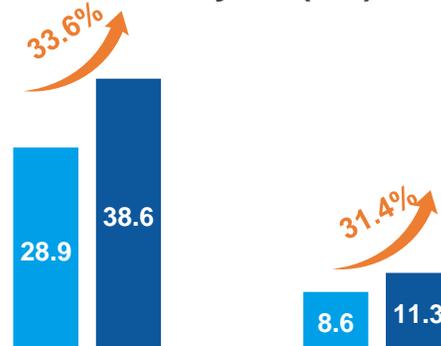
GenScript Life Science (\$M)



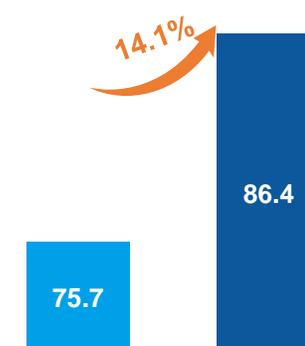
GenScript ProBio (\$M)



Bestzyme (\$M)



Legend Biotech (\$M)



■ 2020 ■ 2021

■ 2020 ■ 2021

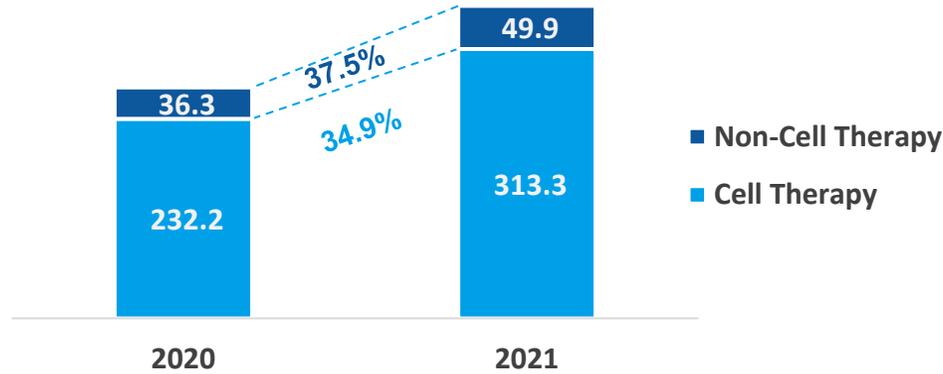
■ 2020 ■ 2021

■ 2020 ■ 2021

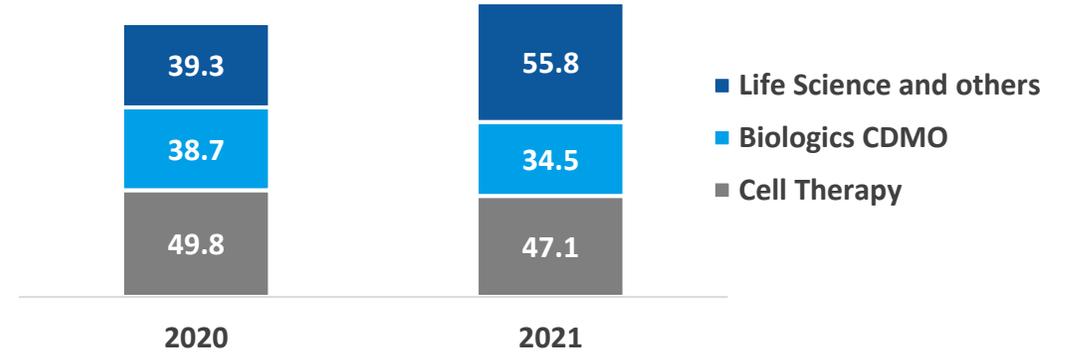
1. Gross profit before eliminations.
2. Refer to appendix1&3 for reconciliation

Significant Investment to Fuel Future Growth

2-Year R&D (\$M)¹ YoY 36.1%



2-Year Capex (\$M)²



Majority of R&D on Cell Therapy

- Cilta-cel program global clinical trials
- New cell therapy pipeline

Non-Cell Therapy segments ~12% of total Revenue in R&D

- Novel life science tools and services
- Improvement of GCT Platform
- Optimization of industrial enzyme products

Cell Therapy \$47.1M

- GMP facilities and equipment for clinical trials in US and China
- Commercial facilities construction

Biologics CDMO \$34.5M

- Antibody drug facilities in Nanjing and Zhenjiang
- GCT Commercial Center in Zhenjiang

Life science & Other Capital Expenditure \$55.8M

- Capacity expansion

Strong Balance Sheet

- Legend Biotech cash position³ at \$887.1M
- Non-cell therapy segments cash position³ at \$520.8M

1. R&D Expense before elimination

2. Management accounts, Data derived from MD&A. Capital expenditures=the expenditure incurred in purchasing intangible assets, namely software, patents and license +the expenditure incurred in purchasing property, plant and equipment and construction in process and freehold land

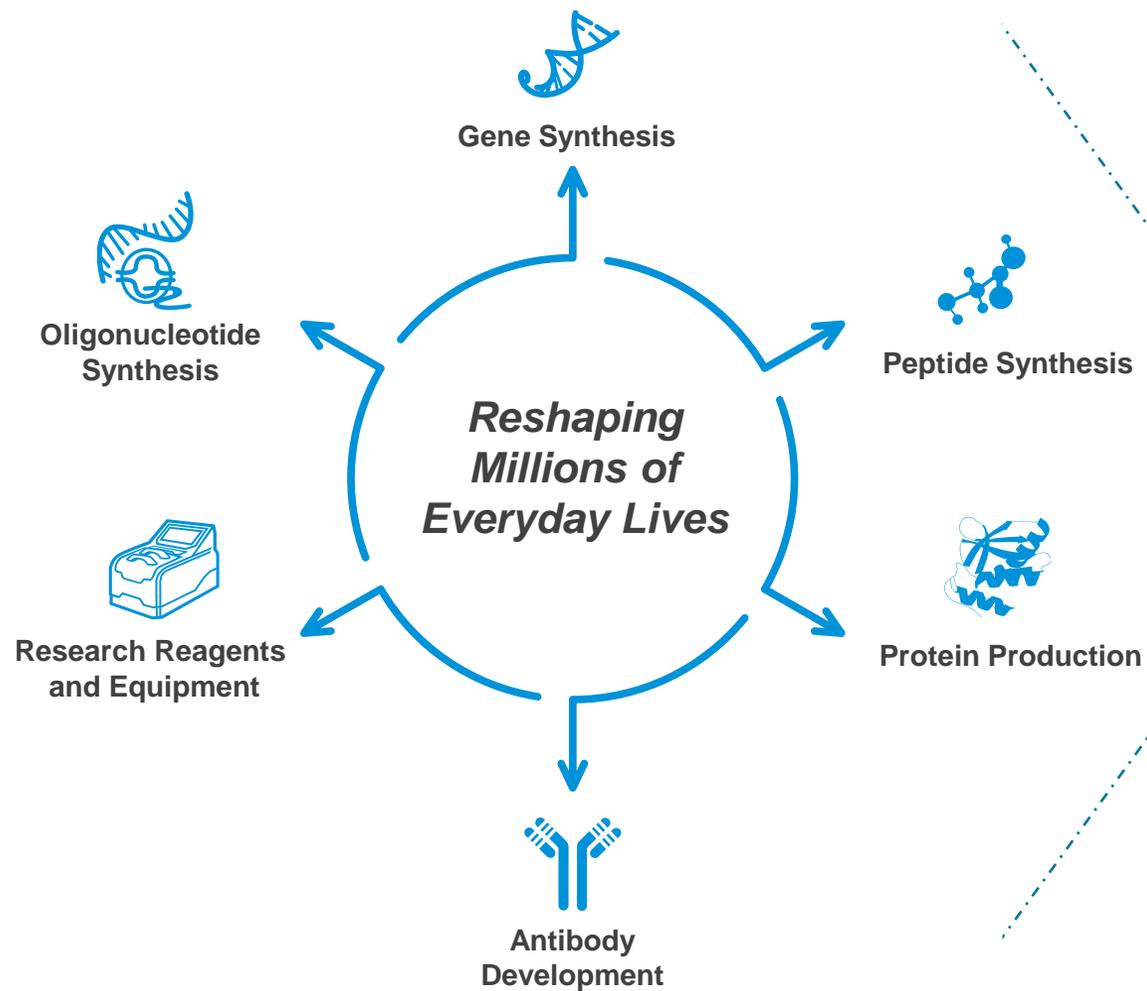
3. Cash Position=Current Financial assets at fair value through profit or loss + Financial investment measured at amortized cost+ Pledged deposits + Time deposits+ Cash and cash

02

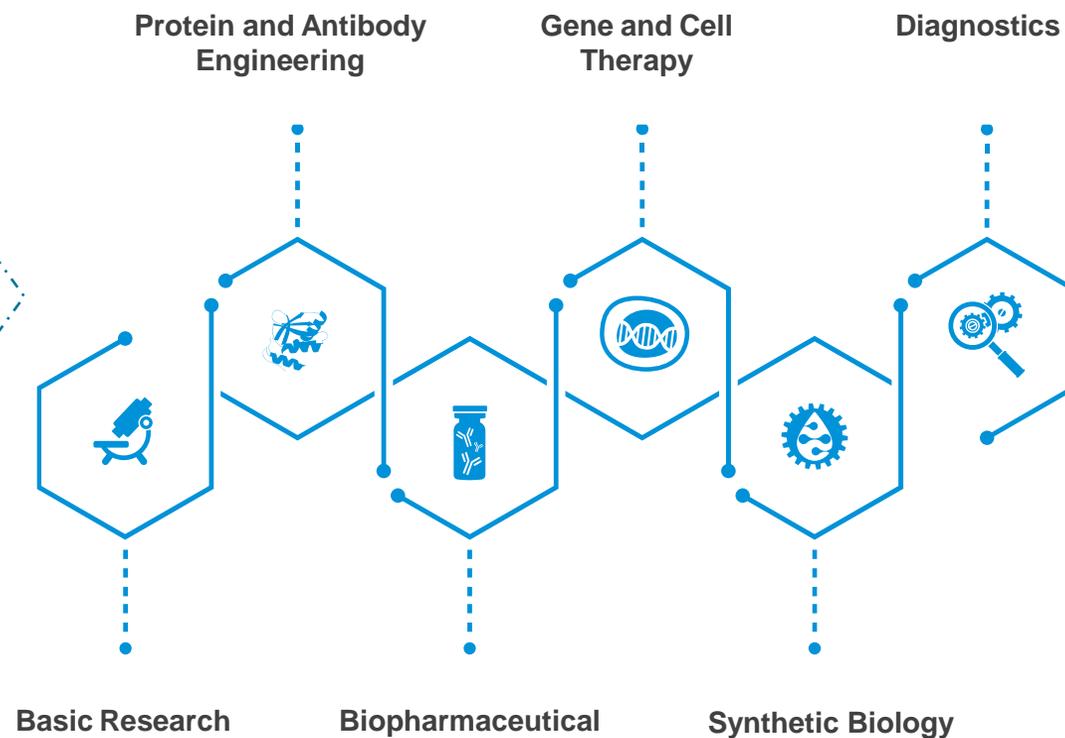
Business Segments



GenScript Life Science



For Diverse Biomedical and Industrial Applications



Life Science

— Continually Strengthen Our Life Science Competitiveness

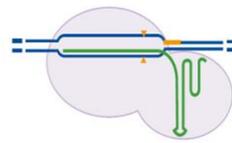
Mol Bio Automation

- ✓ 60% of gene synthesis on automation platform
- ✓ Automation rate increased by 12%
- ✓ 20% of labor efficiency improvement



GCT Materials and Solutions

- ✓ EasyEdit sgRNA and SafeEdit sgRNA
- ✓ Precise and low cytotoxicity GenExact™ ssDNA and Closed-end GenWand™ dsDNA
- ✓ CytoSinct™ Magnetic Cell Separation system

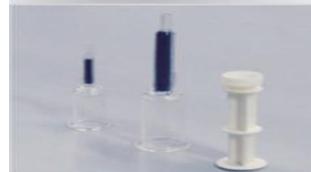
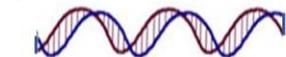


Synthetic Guide RNA

GenExact™ ssDNA

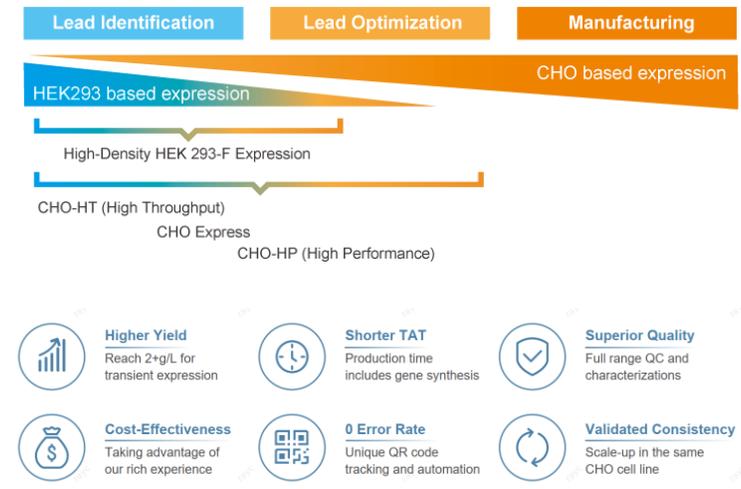


GenWand™ dsDNA



Proprietary CHO Platform

- ✓ Proprietary CHO mammalian expression will be the driver for protein services for the next few years



Life Science Capacity Expansion

— *Commitment to Industry Leading Scale*

Present



Future

GenScript ProBio

— End-to-end CDMO Service



GCT



Biologics

Discovery



1. State-of-the-Art ProSpeed™ Single B Cell Platform
2. Fully Human Ab Discovery
3. The Most Natural SMAB Bispecific Antibody Platform

Pre-clinical/
Development



1. Robust Upstream and Downstream Development Platforms within 8 Months from DNA to Tox Batch
2. Proprietary ProCLD Cell Line Development Platform

Early Stage
Clinical



1. GMP Plasmid Manufacturing for Clinical Use
 2. GMP Virus Manufacturing for Clinical Use
1. Clinical Manufacturing
 2. Process Characterization, Process Validation
 3. Commercial Manufacturing

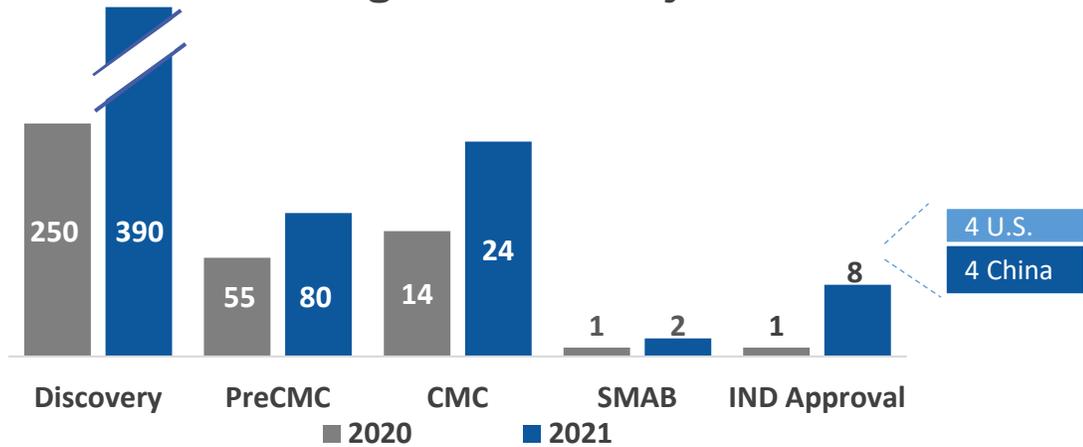
Late Stage Clinical/
Commercialization



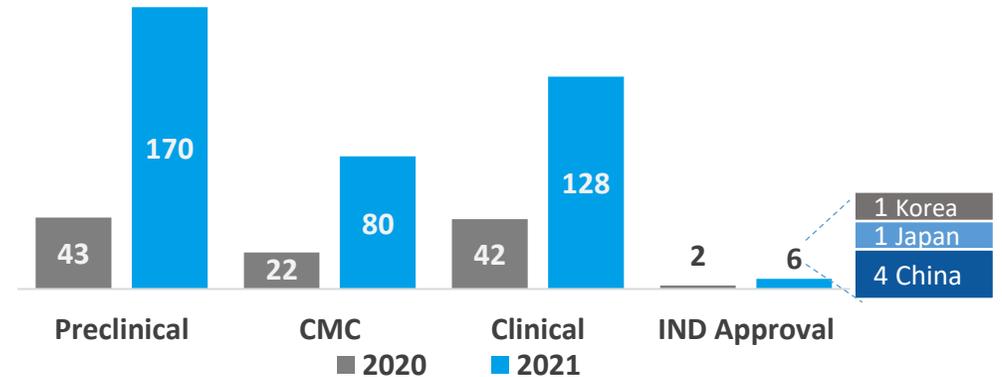
1. GMP Plasmid Manufacturing for late stage clinical and Commercial Use
 2. GMP Virus Manufacturing for clinical and Commercial Use
- Commercial Manufacturing Capacity (16,000L under construction)

Solid Track Record

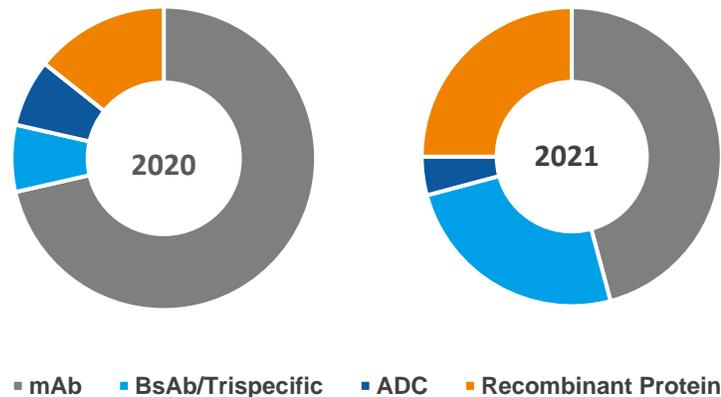
Biologics New Projects¹



GCT New Projects²



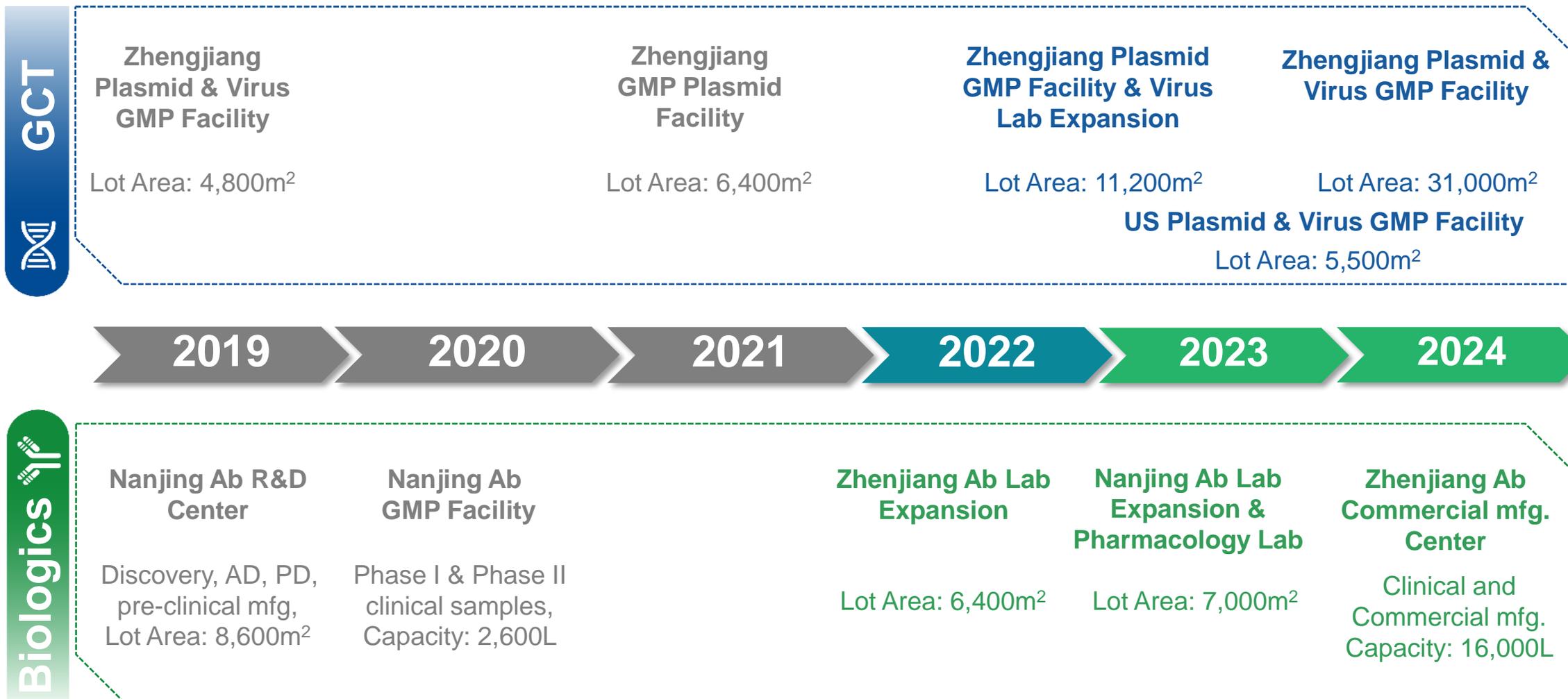
Molecules Type of CMC Projects²



1. Management accounts for reference only, not to scale
 2. Management accounts for reference only
 3. As of Dec 31, 2021

Biologics CDMO

— A Modern CDMO in Progress



Bestzyme

– Synthetic Biology Enzyme Platform



Advanced R&D Platform

- ✓ **>80** R&D staffs
- ✓ **Solid IP** position
 - **~50+** granted patents
 - **~95+** patent applications
- ✓ **R&D to Commercialization**

State-of-the-Art Technology

- ✓ **>5** industrial bacterial and fungal expression platforms
- ✓ **Industry-leading enzyme molecule discovery and screening platform**
- ✓ **End-to-end delivery capability**

Market-Oriented Business

- ✓ **Overall production capacity exceeds 150,000 standard tons**
- ✓ **From commodity products to high-value-add categories**
- ✓ **Build strategic partnership with key customers**

Legend Biotech

– A Fully Integrated Global Cellular Therapy Company

COMPELLING DATA WITH INNOVATIVE PIPELINE



- Ciltacabtagene autoleucel (cilta-cel) may have the potential to deliver deep and durable anti-tumor responses in earlier line settings of multiple myeloma
- Broad portfolio of earlier-stage autologous product candidates targeting both hematologic and solid cancers, as well as allogeneic CAR-T approaches

GLOBAL COLLABORATION WITH JANSSEN*



- Global collaboration with Janssen for the development of cilta-cel established December 2017
 - Received an upfront payment of \$350 million and a total of \$300 million in milestone payments to date
 - Up to an additional \$770 million in potential future milestone payments

INTEGRATED CELL THERAPY PLATFORM



- In-house antibody generation and CAR-T specific functional screening technologies
- Early clinical proof-of-concept, leveraging KOL relationships in China, the US and globally
- Building large-scale manufacturing facilities in the United States, Europe and China
- 1,000+ employees worldwide in US, China and Europe

Cell Therapy

— Industry Forerunner

Commercial Approval and Global Manufacturing



- U.S. FDA and European Commission-approved
- BIC CAR-T product for MM WW¹



Raritan, NJ

BCMA US / EU / JP / ROW
Launch/ Commercial Site
✓ GMP Operational



Somerset, NJ

US / EU / JP Legend
Clinical Supply Site



Ghent, Belgium

- Future Commercial Site



Ghent, Belgium

- Future Commercial Site



Nanjing

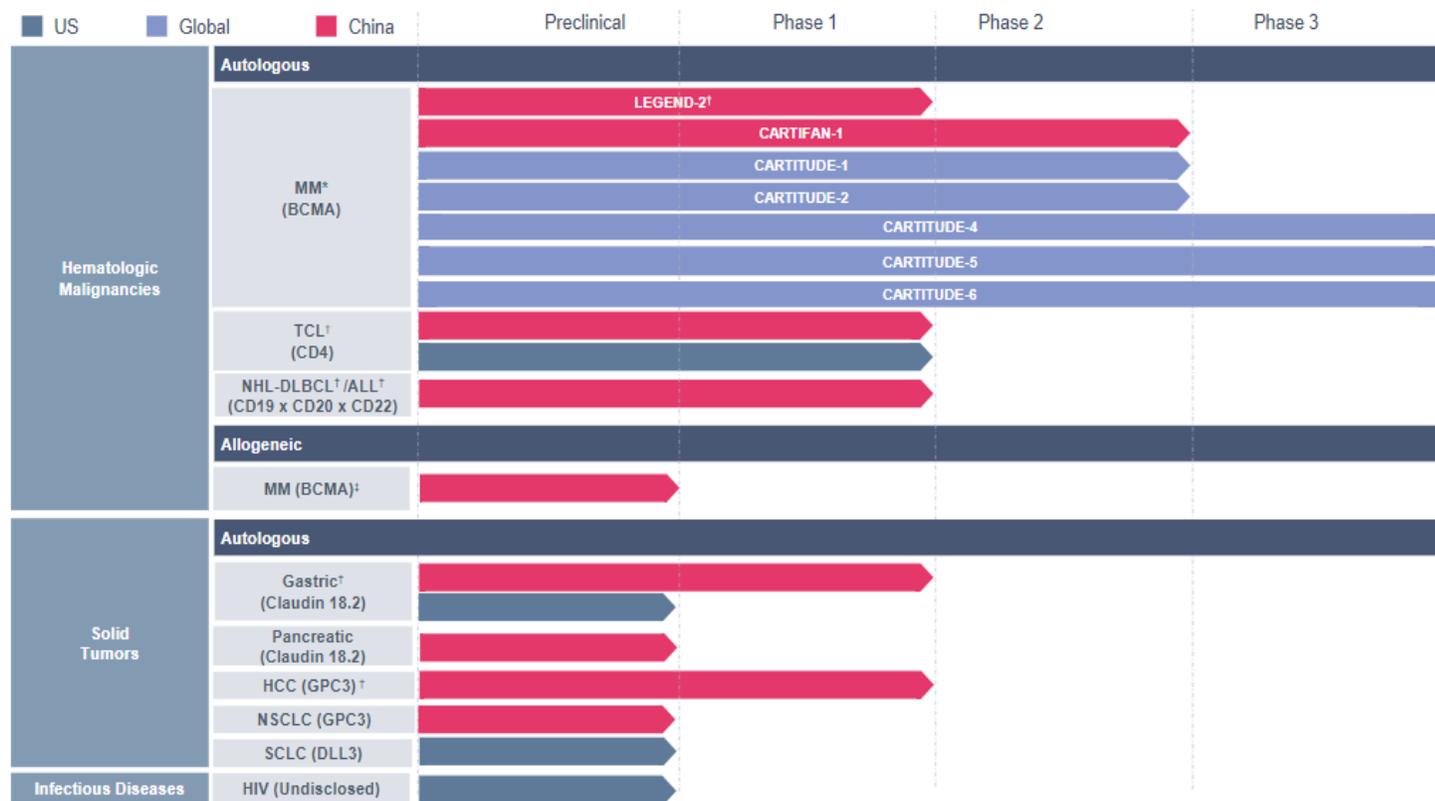
BCMA China Launch Site &
Legend Clinical Supply Site
✓ GMP Operational



Nanjing 75-mu

- Future Commercial Site

Next Generation Cell Therapies Pipeline



1: BIC comes from clinical data of CARTITUDE studies

2: 1&2 stands for construction ongoing/in progress ALL, Acute lymphoblastic leukemia; BCMA, B-cell maturation antigen; DLBCL, diffuse large B-cell lymphoma; DLL3, delta-like ligand 3; GPC3, Glypican-3; HCC, hepatocellular carcinoma; HIV, human immunodeficiency virus; IIT, investigator-initiated trial; NHL, non-Hodgkin lymphomas; MM, multiple myeloma; NSCLC, non-small cell lung cancer; SCLC, small cell lung cancer; TCL, T-cell lymphoma

[†]In collaboration with Janssen, Pharmaceutical Companies of Johnson & Johnson. [‡]Phase 1 IIT in China. [‡]Multiple allogeneic platforms are being developed.

03

Future Strategies



Business Transformation

— Strategic Positioning in GCT and SynBio

Gene and Cell Therapy

Research use only Services



- ssDNA, sgRNA, mRNA, Oligo Pool, RUO
- Plasmid & Virus Vector
- Other One-stop life science services

Clinical use only Services



- GMP Grade Plasmid and Virus Vector

End Products



- Hematologic Malignancies
- Solid Tumors
- Infectious Diseases



Instruments and Consumables for GCT

Protein analysis/purification, Cell isolation/activation, beads, columns and other consumables

Synthetic Biology

Enabling SynBio R&D and Manufacturing



- Unique positioning in the industry
- up-scaling production with commercial scale manufacture capacity
- R&D team and facilities owning numerous IPs and diversified microbial strain platforms



End Products



Thanks

For More Information: <https://www.genscript.com/>

IR Contact: IR@genscript.com



1. Annual Condensed Consolidated Statement of Profit/Loss

	Year ended December 31	
	2021	2020
	Audited	Audited
	USD\$'000	USD\$'000
Revenue	511,062	390,846
Cost of sales	(207,578)	(134,953)
Gross profit	303,484	255,893
Other income and gains	17,250	24,795
Selling and marketing expenses	(167,969)	(107,341)
Administrative expenses	(134,508)	(90,341)
Research and development expenses	(358,401)	(263,401)
Fair value losses of financial liabilities	(139,428)	(79,984)
Other expenses	(13,011)	(15,497)
Finance costs	(2,378)	(5,432)
Share of losses of associates	-	(599)
(Provision for)/reversal of impairment of financial assets, net	(1,414)	7
LOSS BEFORE TAX	(496,375)	(281,900)
Income tax (expense)/credit	(4,579)	477
LOSS FOR THE PERIOD	(500,954)	(281,423)
Attributable to:		
Owners of the parent	(347,865)	(204,945)
Non-controlling interests	(153,089)	(76,478)

2. Annual Condensed Consolidated Statement of Financial Position

	2021 Audited USD\$'000	2020 Audited USD\$'000
Non-current assets		
Property, plant and equipment	439,885	345,215
Advance payments for property, plant and equipment	18,512	5,906
Investment properties	6,882	7,726
Right-of-use assets	59,147	34,017
Goodwill	14,151	14,116
Other intangible assets	26,423	26,020
Investment in associates	3,318	3,433
Financial assets at fair value through profit or loss	10,444	10,555
Deferred tax assets	5,090	3,702
Other non-current asset	6,251	3,542
Time deposits (Non-current)	4,705	-
Total non-current assets	594,808	454,232
Current assets		
Inventories	44,358	31,745
Contract Cost	8,877	5,785
Trade and notes receivables	142,345	141,748
Prepayments, deposits and other receivables	36,054	32,834
Financial assets at fair value through profit or loss	2,208	5,866
Financial investment measured at amortized cost	29,937	-
Loans to associates	1,680	2,422
Time deposits	190,088	136,245
Restricted Cash	1,444	7,471
Cash and cash equivalents	1,180,971	629,058
Total current assets	1,637,962	993,174

	2021 Audited USD\$'000	2020 Audited USD\$'000
Current liabilities		
Trade and bills payables	30,176	23,376
Other payables and accruals	213,469	168,980
Interest-bearing loans and borrowings	521	44,642
Lease liabilities	7,510	2,588
Tax payable	6,236	3,532
Contract liabilities	95,377	84,414
Financial liabilities at fair value through profit or loss	110,338	-
Government grants	740	379
Total current liabilities	464,367	327,911
NET CURRENT ASSETS	1,173,595	665,263
Total assets less current liabilities	1,768,403	1,119,495
Non-current liabilities		
Interest-bearing loans and borrowings	121,070	1,260
Financial liabilities at fair value through profit or loss	260,790	-
Lease liabilities	27,349	6,513
Contract liabilities	244,812	277,052
Deferred tax liabilities	7,730	7,030
Government grants	13,301	11,495
Other non-current liabilities	396	554
Total non-current liabilities	675,448	303,904
NET ASSETS	1,092,955	815,591
EQUITY		
Equity attribute to owners of the company		
Share capital	2,096	1,954
Treasury shares	(15,753)	(16,712)
Reserves	893,408	916,463
Non-controlling interests	213,204	(86,114)
Total equity	1,092,955	815,591

3. Adjusted Profit

	2021(\$M)		2020(\$M)	
	Non-Cell Therapy	Cell Therapy	Non-Cell Therapy	Cell Therapy
Net profit/(loss)	(111,815)	(386,209)	22,054	(303,477)
Equity-settled share-based compensation expense, net of tax	19,533	20,158	10,904	4,760
Exchange gains or losses, net of tax	4,145	4,845	6,526	-66
Consultation expenses and related cost for the Investigation, net of tax	3,266	-	1,086	
Losses on long-term investments and related non-current financial assets, net of tax	1,699	-	3,806	
Fair value losses of financial liabilities	133,228	6,200		
Service fees for the deemed disposal of equity interest in Probio Cayman, Cayman, net of tax	504	-		
Fair value gains of non-current financial assets	-312	-	-1,860	
Service fees for Follow-on Public Offering of Legend Biotech	-	400		
Fair value losses of convertible redeemable preferred shares				79,984
Service fee for the issuance of Legend Series A Preference Shares				4,014
Spin-off expenses relating to the separate listing of Legend			24	1,439
Adjusted net profit/(loss)	50,248	(354,606)	42,540	(213,346)

4. Segment Operating Results

USD\$'000	2021							2020						
	Life science services and products	Biologics development services	Industrial synthetic biology products	Cell therapy	Operation unit	Eliminations	Total	Life science services and products	Biologics development services	Industrial synthetic biology products	Cell therapy	Operation unit	Eliminations	Total
Segment Revenue														
-External Revenue	305,897	80,256	38,196	86,368	345		511,062	246,502	39,691	28,582	75,676	395		390,846
-Internal Revenue	9,897	1,095	370	3,424	9,246	(24,032)	-	3,315	735	323		7,364	(11,737)	-
Segment Cost of sales	(132,462)	(55,757)	(27,250)		(4,360)	12,251	(207,578)	(84,472)	(30,492)	(20,296)		(2,710)	3,017	(134,953)
Segment Gross profit	183,332	25,594	11,316	89,792	5,231	(11,781)	303,484	165,345	9,934	8,609	75,676	5,049	(8,720)	255,893
Other income and gains		537	1,320	3,059	25,297	(12,963)	17,250			801	6,119	18,286	(411)	24,795
Selling and distribution expenses	(49,069)	(13,436)	(2,885)	(102,542)	(12)	(25)	(167,969)	(48,475)	(5,915)	(3,589)	(49,571)		209	(107,341)
Administrative expenses	(9,014)	(6,868)	(3,203)	(46,961)	(72,365)	3,903	(134,508)	(8,471)	(2,602)	(3,020)	(23,124)	(56,607)	3,483	(90,341)
Research and development expenses	(32,850)	(9,575)	(5,232)	(313,346)	(2,272)	4,874	(358,401)	(21,334)	(10,048)	(4,887)	(232,160)		5,028	(263,401)
Fair value loss of convertible redeemable preferred shares											(79,984)			(79,984)
Finance costs		(104)	(116)	(900)	(1,374)	116	(2,378)			(176)	(4,209)	(1,156)	109	(5,432)
Other expenses		(879)	(512)	(9,132)	(5,394)	2,906	(13,011)	(3,559)		(525)	(346)	(11,369)	302	(15,497)
Share of losses of associates										11		(610)		(599)
(Provision for)/reversal of impairment of financial assets, net	(755)	(137)	(36)	22	(508)		(1,414)	(1,072)	1,033	69	(23)			7
Fair value Loss of financial liabilities		(143,278)		(6,200)		10,050	(139,428)							-
(LOSS)/PROFIT BEFORE TAX	91,644	(148,146)	652	(386,208)	(51,397)	(2,920)	(496,375)	82,434	(7,598)	(2,707)	(307,622)	(46,407)	-	(281,900)
Income tax credit/(expense)		(531)	(198)	(1)			(730)			(461)	4,145			3,684
Unallocated income tax expense							(3,849)							-3,207
(LOSS)/PROFIT FOR THE YEAR	91,644	(148,677)	454	(386,209)	(51,397)	(2,920)	(500,954)	82,434	(7,598)	(3,168)	(303,477)	(46,407)		(281,423)

5. Segment Operating Profit/Loss Before Share Based Compensations, Fair Value Losses Of Financial Liabilities And Other Items

USD\$'000	2021				2020			
	Life science services and products	Biologics development services	Industrial synthetic biology products	Cell therapy	Life science services and products	Biologics development services	Industrial synthetic biology products	Cell therapy
LOSS/(PROFIT) BEFORE TAX	91,644	(148,146)	652	(386,208)	82,434	(7,598)	(2,707)	(307,622)
Other income and gains		(537)	(1,320)	(3,059)	-	-	(801)	(6,119)
Other expenses		879	512	9,132	3,559	-	525	346
Finance costs		104	116	900	-	-	176	4,209
Share of losses of associates		-	-	-	-	-	(11)	-
Provision for/(reversal) of impairment of financial assets, net	755	137	36	(22)	1,072	(1,033)	(69)	23
Fair value Loss of financial liabilities	-	143,278	-	6,200			-	-
Fair value loss of convertible redeemable preferred shares			-	-			-	79,984
Share Based compensation	8,193	3,788	11	20,158	5,558	3,310	-	4,760
Consultation expenses and related cost for the Investigation, net of tax	931	337						
Service fees for follow-on public offering of Legend Biotech				400				
Spin-off expenses relating to the separate listing of Legend								1,439
Adjusted operating profit(loss)	101,523	(160)	7	(352,499)	92,623	(5,321)	(2,887)	(222,980)